

## TÜRK TELEKOMÜNİKASYON A.Ş.

### INFORMATION DOCUMENT IN RELATION TO THE 2015 FISCAL YEAR

#### ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON MARCH 31, 2016

The Ordinary General Assembly of our Company to be held at the address of Türk Telekomünikasyon A.Ş. Headquarters, Turgut Özal Bulvarı 06103 Aydınlıkevler Ankara, at 10:30 a.m., on Thursday, 31st of March, 2016 to negotiate and reach at a decision in relation to the below-mentioned agenda.

Pursuant to 4th paragraph of Article 415 of Turkish Commercial Code No: 6102 and the 1st paragraph of Article 30 of Capital Markets Law No: 6362, the shareholders are not required to block their shares in order to attend to the General Assembly Meeting. However, our shareholders who do not wish to disclose their identity and share information and therefore are not registered with our Company are required to apply to the financial intermediaries and remove the "limitation" on the identity and share information until the previous day of the General Assembly Meeting until 16.30 at latest.

We kindly request those shareholders who shall be voting via the Electronical General Assembly System to access the Central Registry Agency ("CRA"), the website of our Company which can be located at [www.ttinvestorrelations.com](http://www.ttinvestorrelations.com) or the contact addresses therein in order to ensure compliance with the relevant Regulation and Communiqué.

This invitation of ordinary general assembly meeting will also be delivered to the shareholders who hold registered shares, via registered mail according to Article 414 of Turkish Commercial Code.

Our shareholders who cannot attend the meeting in person should arrange their proxies in accordance with the specimen sample provided at the website of the company, save for the rights and obligations of the shareholders who will attend by electronic means, by complying with requirements stipulated as per the Capital Markets Board's Communiqué II-30.1 on Voting by Proxy and Proxy Solicitation and present their power of attorneys the signatures of which shall be certified by the notary public or for our foreign shareholders, the notarized Turkish translation thereof to the headquarters of our Company at the close of business on Friday, 25th of March, 2016 at latest.

Our shareholders or their representatives which are appointed in accordance with the foregoing paragraph should have the below mentioned documents with them ready, at the date of the meeting.

- Identity certificate
- The proxies arranged in accordance with the attached specimen, of the representatives who are appointed by our real and legal person shareholders.
- The notarized Turkish translation of the proxies and the notarized passport copies of the representatives of our foreign shareholders.

The representatives who have been appointed on Electronic General Assembly Meeting System by electronic means are not required to submit any proxies.

Voting method by a show of hands and an open voting method shall be applied save for the voting provisions by electronic means in order to vote on the agenda items at the Ordinary General Assembly Meeting.

Our shareholders are requested to attain knowledge of the meeting particulars and attend the meeting on the specified day and hour.

Note: Pursuant to Article 29 of Capital Markets Law, shareholders holding registered shares that are traded on the stock exchange will not receive a separate registered invitation letter for the meeting.

### **Structure of Shareholders and Voting Rights**

Our Company's shares are divided into groups called A, B, C and D. Each share in each group of shares can cast one vote and thus, a maximum of 350,000,000,000 votes can be casted in the General Assembly Meeting. In this respect, the total number of the shares and votes owned by (i) Group A shares is 192,500,000,000; (ii) Group B shares is 104,999,999,999; (iii) Group C share is 1; (iv) listed Group D shares is 52,500,000,000 respectively.

<b>Group</b>	<b>Shareholder</b>	<b>Paid-in Capital Amount (TL)</b>	<b>Share (%)</b>
A	Ojer Telekomünikasyon A.Ş.	1.925.000.000	55
B	Republic of Turkey	1.049.999.999,99	30
C	Undersecretariat of Treasury	0,01	-
D	Free Float	525.000.000,00	15

According to the Article 8 of the Articles of Association; the board of directors is composed of 12 members, the Group A Shareholder shall be entitled to nominate seven (7) persons for election as Directors; provided that the Treasury as Group B Shareholder shall hold 30% or more of the Shares, the Treasury shall be entitled to nominate four (4) persons for election as Independent Board Members who carry the independence criteria as defined in the Capital Markets legislation. While the Treasury holds the C Group Privileged Share, the Treasury shall be entitled to nominate, a further one (1) person, for election as Director for the C Group Privileged Share.

As well as the C Group Privileged Share shall be entitled to nominate a further one person for election as Director, it has below mentioned rights which are defined in the Article 6 of the Articles of Association.

For the purpose of protecting the national interest in issues of national security and the economy, the following actions and resolutions cannot be taken without the affirmative vote of the holder of the C Group Privileged Share at either a meeting of the board of directors or the General Assembly. Otherwise, such transactions shall be deemed invalid.

- a) any proposed amendments to the Articles of Association;
- b) the transfer of any registered Shares in the Company which would result in a change in the management control of the Company;
- c) the registration of any transfer of registered shares in the Company's shareholders' ledger.

Procedure of voting is explained in Article 23 and Article 24 of the Company's Articles of Association. Each share shall entitle its owner to one vote at General Assembly Meetings. At the General Assembly meetings, voting shall be cast by raising (show) hands. However, upon the request of the shareholders owning 1/20 of the total capital represented at the General Assembly Meeting, voting may be realized by secret voting or by way of open ballot by calling names.

This information set including the relevant explanations regarding the agenda items shall be made available to the examination of our shareholders, at the head office of our company, located at the address of Türk Telekomünikasyon A.Ş. Genel Müdürlük Kültür Merkezi, Turgut Özal Bulvarı 06103 Aydınlıkevler Ankara, at the website of [www.ttinvestorrelations.com](http://www.ttinvestorrelations.com) and Electronical General Assembly System of the CRA.

Regards,

Türk Telekomünikasyon A.Ş.

Board of Directors

#### **Additional Information regarding the Communiqué on the Corporate Governance**

No requests have been received from shareholders, CMB and/or other public organizations related to the company about adding additional item to the agenda of general assembly.

# **TÜRK TELEKOMÜNİKASYON A.Ş.**

## **AGENDA FOR ORDINARY GENERAL ASSEMBLY MEETING 2015**

**March 31, 2016**

### **1. Opening and Election of the Chairmanship Committee;**

The Chairman of the Meeting will be elected in accordance with the relevant provisions of Turkish Commercial Code No. 6102 ("TCC"), the Regulation on General Assembly Meetings of Corporations, and under the provisions of Ministry of Industry and Trade Commissary Regulations ("Regulation"), The Internal Directive On The Working Principles And Procedures Of The General Assembly Of Türk Telekomünikasyon Anonim Şirketi (Internal Directive) and Türk Telekom Articles of Association (Articles of Association). The Chairman of the Meeting shall assign at least one clerk who writes down the minutes and if deemed necessary vote collectors in the number required. Expert consultants may also be assigned by the Chairman of the Meeting in order to perform the technical needs in the Electronic General Assembly System at the Meeting time.

### **2. Authorizing the Chairmanship Committee to sign the minutes of the General Assembly Meeting, and the List of Attendees;**

Authorizing the Chairmanship Committee to sign the minutes of the General Assembly Meeting and the List of Attendees will be voted in accordance with the relevant provisions of the TCC and the Regulation.

### **3. Reading the Board of Directors annual report for the year 2015;**

This agenda item will not be voted on. The 2015 Annual Report, approved under the Decision of the Board of Directors No. 11 dated 29th of February, 2016 will be read. Our shareholders can find the Annual Report prepared by the Board of Directors in accordance with the Capital Markets Board legislation at under the financial and operational information section of [www.ttinvestorrelations.com](http://www.ttinvestorrelations.com) or at our Company's headquarters.

### **4. Reading the Auditor's Report for the year 2015;**

This agenda item will not be voted on. The Independent Audit Company's report for the year 2015 will be read. The Independent Audit Company report, prepared in accordance with the Turkish Commercial Code and Capital Markets Board legislation, are available at our Company's headquarters and under the financial and operational information section of [www.ttinvestorrelations.com](http://www.ttinvestorrelations.com).

### **5. Reading, discussing and approving the balance sheet and profit/loss accounts for the year 2015;**

The consolidated balance sheet and profit/loss accounts prepared in accordance with the financial statement format set by the International Financial Reporting Standards (IFRS), as per the Turkish Commercial Code and Capital Markets Board legislation, and approved under Board of Directors Resolution No. 8 dated 11th of February 2016, will be read and presented to the General Assembly for approval. These documents are available at our Company's headquarter and under the financial and operational information section of [www.ttinvestorrelations.com](http://www.ttinvestorrelations.com).

**6. Releasing the Board of Directors Members for operations and transactions of our Company during 2015;**

The release of the members of Board of Directors from the operations and actions of the Company during the year 2015 will be presented to the General Assembly for approval, as per the provisions of the Turkish Commercial Code.

**7. Approval of the temporary appointments made to the Board of Directors to the positions which became vacant because of the resignations by the General Assembly pursuant to Article 363 of the Turkish Commercial Code;**

Nasser Sulaiman A Al Nasser was appointed as the board member on December 1, 2015 to the board membership position which became vacant due to the resignation of Khaled Hussain S BIYARI, who was elected from among the nominees nominated by Group A Shareholder on the Extra Ordinary General Assembly Meeting dated July 08, 2015,

Nasser Sulaiman A Al Nasser's appointment in accordance with Article 363 of TCC will be submitted to the General Assembly's approval.

**Nasser Sulaiman A Al Nasser**

Mr. Al Nasser has a bachelor's degree in electrical engineering and vast experience in the telecommunications sector. Throughout his career, which started in the late 1990's, Mr. Al Nasser played an active role in STC GSM network expansions across the Kingdom. He then worked during the period between 2003-2007 at Communications and Information Technologies Commission as the General Manager of Technical Standards and Numbering, where he also headed other committees related to market regulation and liberalization. Subsequently, Mr. Al Nasser joined Etihad Etisalat (Mobily) and became the Chief Operations Officer. Since March 2015 Mr. Al Nasser has been working as STC Senior Vice President for Technology and Operation.

Suat Hayri Aka was appointed as the board member on March 29, 2016 to the board membership position which became vacant due to the resignation of Talat Aydın, who was elected from among the nominees nominated by Group C Shareholder on the Extra Ordinary General Assembly Meeting dated July 08, 2015.

Suat Hayri Aka's appointment in accordance with Article 363 of TCC will be submitted to the General Assembly's approval.

**Suat Hayri AKA**

He was born in Tatvan in 1960. He was graduated from Istanbul Technical University, Maritime Faculty with a BSc Degree in Nautical Sciences in 1982. He has got his MSc. Degree in the field of Shipping & Port Administration between 1989 and 1990 at the World Maritime University (WMU) – Malmoe / Sweden.

Suat Hayri AKA, who started his career at Turkish Cargo Lines as a captain, left his Office at the public sector in 1991 and worked at various managerial levels in private sector until 2006 in a diverse array of maritime sector branches such as operating ships, brokerage, international marine shipping, marine insurance services, sale and purchase of ships, training and consultancy services and engineering services on ship-building, salvage etc.

As from 1994, he has lectured at the Faculty of Naval Architecture and Maritime Engineering at Istanbul Technical University on Ship Management and Maritime Economics for 12 years. He was appointed as the Deputy Undersecretary of the Ministry of Transport and Communications of the Republic of Turkey in 2006 and held office until June 2014.

As Deputy Undersecretary, he was responsible for aviation, maritime sector (since 2012) and related institutions and the foreign relations and EU affairs of the Ministry between 2006 and 2014. During his term of office, he was also the EU permanent contact point of the Ministry. Furthermore, he carried out the Presidency of IPA Operational Program managing EU financial aids.

Besides, as the representative of the Ministry, he took charge in Management and Executive Boards of İzmir EXPO 2020 Project and Transport Management Board of the International Transport Forum.

While taking office as Ministerial Consultant between June 2014 and January 2016, he was appointed as Acting Deputy Undersecretary in January 2016.

He is married with 2 children and has good command of English.

He was awarded with Honorary Outstanding Alumnus award by World Maritime University in Malmoe in 2015.

#### **8. Defining the salaries of the Members of the Board of Directors;**

Salaries to be paid to the members of the Board of Directors will be determined.

#### **9. Defining the salaries of the Members of the Board of Auditors;**

Salaries to be paid to the members of the Board of Auditors will be determined.

**10. Discussing and resolving on the proposal of the Board of Directors about distribution of the profit generated in 2015;**

1. Our Company's profit generated as a result of its activities performed between dates 01/01/2015 – 31/12/2015 according to the independently audited consolidated financial tables prepared in accordance with the provisions of “CMB Communiqué About Financial Reporting in Capital Markets No.II-14.1” is TL 907,445,184.51 and the commercial profit calculated within the scope of the provisions of Turkish Commercial Code and Tax Procedure Law is TL 1,305,411,726.54;
2. Pursuant to the CMB Communiqué on Dividends No: II-19.1, the profit after tax amount of TL 907,445,184.51 shall be the base amount for dividend distribution;
3. Since our Company already reached the general legal reserve limit, which is 20% of the paid in capital in accordance with Article 519 of Turkish Commercial Code, this reserve is not required for 2015;
4. The base for the first dividend shall be TL 929,267,118.92 (Pursuant to the Capital Markets Board Regulations, this amount is calculated by adding the donation amount in 2015, which is TL 21,821,934.41 to the net distributable profit of 2015, which is TL 907,445,184.51);
5.
  - a. TL 185,853,423.78 which corresponds to the 20% of TL 929,267,118.92 (the first dividend base) shall be distributed as cash first dividend;
  - b. The second legal reserve of TL 66,585,925.86 (calculated as 1/11 of the net distributable profit after 5% of paid in capital is deducted from it pursuant to the Capital Markets Board Regulations) shall be set aside;
  - c. The remaining TL 655,005,834.86 shall be distributed as cash second dividend;

Accordingly:

- d. A total cash dividend amount of TL 840,859,258.65 to be distributed shall be covered by current period net profit;
- e. 0.240246 Kuruş (24.0246%) gross cash dividend per each share worth for 1 Kuruş nominally shall be distributed to our shareholders and total gross cash dividend distribution amount shall be TL 840,859,258.65;

6. The distribution of the cash dividends to our shareholders shall begin on 30/05/2016, at Merkezi Kayıt Kuruluşu A.Ş. Süzer Plaza Askerocağı Caddesi No:15 Kat:2 34367 Elmadağ - Şişli / İstanbul.

Dividend Distribution Table and Dividend per Share Table, complying with requirements stipulated as per the Communiqué of the Capital Markets Board II-19.1 regarding the proposal are attached in Appendix/1.

**11. Election of the Auditor for the purpose of auditing our Company's operations and accounts for the year 2016, pursuant to Article 399 of Turkish Commercial Code and Article 17/A of the Articles of Association of our Company;**

Signing an agreement with Independent Audit Company Akis Bağımsız Denetim ve SMMM A.Ş. (KPMG) for its audit assignment on the operations and accounts of the Company for the year 2016 as per Article 399 of Turkish Commercial Code and Article 17/A of the Articles of Association of our Company will be presented to General Assembly's approval.

**12. Informing the General Assembly about the donations and aids made in 2015;**

This agenda item will not be voted on and has only been provided for information purposes. Total amount of donations and aids in 2015 is TL 21,821,934.41

**13. Informing the General Assembly about the guarantees, pledges and mortgages given by our Company in 2015 in favor of third parties, and about revenues or interests generated;**

This agenda item will not be voted on and has only been provided for information purposes.

The information regarding the guarantees, pledges and mortgages provided by the Company to third parties or the derived income or interest thereof is available at footnote no: 25 of the 2015 consolidated financial statements which have been prepared in accordance with the CMB rules and publicly disclosed. The information note regarding the guarantees, pledges and mortgages provided by the Company to third parties or the derived income or interest thereof will also be read during the General Assembly.

The Company's guarantee, pledge and mortgage (GPM) position as of 31st of December 2015 is as follows:

<b>(thousand TL)</b>	<b>31 December 2015</b>
A. GPMs given on behalf of the Company's legal personality	1,739,009
B. GPMs given in favor of subsidiaries included in full consolidation	1,092,791
C. GPMS given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	1,735,813
D. Other GPMs	-
i. GPMs given in favor of parent company	-
ii. GPMs given in favor of Company companies not in the scope of B and C above	-
iii. GPMs given in favor of third party companies not in the scope of C above	-
<b>Total</b>	<b>4,567,613</b>

Based on law 128/1 of Turkish Code of Obligations, Avea has given guarantee to distributors amounting to TL 1,735,813 for the financial obligation that would arise during the purchase of devices that will be sold as commitment sales by Avea.

**14. Informing the General Assembly of the changes that have material impact on the management and the activities of our Company and its subsidiaries and that were realized within the previous fiscal year or being planned for the following fiscal year and of the reasons of such changes, pursuant to the Corporate Governance Principle No. 1.3.1 (b);**

This agenda item will not be voted on and has only been provided for information purposes.

In 2015, IMT Service and Infrastructure Authorization Tender done by Information and Communication Technologies Authority (ICTA) on August 26, 2015, which is expected to have material impact on our activities. Our subsidiary Avea İletişim Hizmetleri A.Ş., has won the below packages;

- 2x10 MHz bandwidth in 800 MHz frequency for Euro 380,000,000
- 2x7.6 MHz bandwidth in 900 MHz frequency for Euro 216,819,184
- 2x20 MHz bandwidth in 1800 MHz frequency for Euro 310,000,000
- 2x10 MHz bandwidth in 2600 MHz frequency for Euro 25,858,917
- 1x15 MHz bandwidth in 2600 MHz frequency for Euro 22,000,000

As a result of this tender, we secured the ideal spectrum portfolio for next generation mobile technologies and also eliminated our historic spectrum disadvantage in 900 MHz.

On January 26, 2016, we unified our mobile, fixed voice, fixed broadband and TV brands under single "Türk Telekom" brand, while keeping Türk Telekomünikasyon A.Ş., TNET A.Ş., and Avea İletişim Hizmetleri A.Ş. legal entities intact, which we expect will have a material impact on our activities. As Türk Telekom Group, we aim to strengthen our multi-play offer by delivering all our products and services under single "Türk Telekom" brand from our integrated sales channels to serve the evolving telecommunication needs in Turkey in the most effective way.

**15. Informing the General Assembly of the transactions of the controlling shareholders, the Board of Directors Members, the executives who are under administrative liability, their spouses and their relatives by blood and marriage up to the second degree that are performed within the year 2015 relating to make a material transaction which may cause conflict of interest for the Company or Company's subsidiaries and/or to carry out works within or out of the scope of the Company's operations on their own behalf or on behalf of others or to be a unlimited partner to the companies operating in the same kind of fields of activity in accordance with the Communiqué of the Capital Markets Board No: II-17.1 pursuant to the Corporate Governance Principle No. 1.3.6;**

As per the corporate governance principle no: 1.3.6 issued by Capital Markets Board, information regarding any controlling shareholders, board members, senior management, spouses and 2nd degree blood and affinity relatives who engage in activities which may cause conflict of interest with the company or its subsidiaries, and who participate in commercial activities similar to those conducted by the company in their own name or on behalf of a third party, or who become a shareholder with unlimited liability and become a member of the boards of enterprises engaging in similar transactions must be submitted to the General Assembly. In order to fulfil the requirements of this principle, all transactions which can be classified as outlined above within the previous financial year which come to the attention of the Company must be submitted for the information of the shareholders at the General Assembly.

**16. Informing the Shareholders regarding the “Remuneration Policy” determined for the Board of Directors Members and the Senior Executives in accordance with the Corporate Governance Principle No: 4.6.2 of the Capital Markets Board;**

This agenda item will not be voted on and has only been provided for information purposes.

As per the Communiqué on Corporate Governance Principles and obligatory Article 4.6.2, the remuneration policy of the members of the Board of Directors and the senior management shall be in writing and its policy and principals will be submitted to the General Assembly’s information. The Remuneration Policy can be found under Appendix 2 of this document.

**17. Discussing and voting for authorizing the Board of Directors or person(s) designated by the Board of Directors for company acquisitions to be made by our Company or its subsidiaries until the next ordinary general assembly meeting up to 500 Million Euro which will be separately valid for each acquisition;**

Our company and its subsidiaries are open to opportunities which may contribute to the operations of the group and create synergies as part of the “Smart Growth” strategy. A general approval from the General Assembly is obtained each year due in order to be able to act quickly to be able to utilize the opportunities both at home and abroad.

**18. Discussing and voting for authorizing the Board of Directors to establish Special Purpose Vehicle(s) when required for above mentioned acquisitions;**

A need to establish Special-Purpose Vehicles may arise in order to ensure operational convenience for the acquisitions to be made by our company and its subsidiaries.

**19. Resolving on giving permission to the Board of Directors Members to carry out works within or out of the scope of the Company’s operations on their own behalf or on behalf of others or to be a partner to companies who does such works, and to carry out other transactions, as per Articles 395 and 396 of Turkish Commercial Code;**

The Board of Directors must have the General Assembly’s permission to perform their acts within the context of Articles 395 and 336 of the Turkish Commercial Code entitled “Prohibition of Transactions with Company and Borrowing” and “Non-Competition”. In order to comply with these regulations, the permission will be put to the vote at the General Assembly.

**20. Comments and closing.**

APPENDIX/1 DIVIDEND DISTRIBUTION TABLE AND DIVIDEND PER SHARE TABLE

2015 DIVIDEND DISTRIBUTION TABLE OF TÜRK TELEKOMÜNİKASYON A.Ş. FOR THE YEAR ENDED 31 DECEMBER 2015 (TL)			
1)	Paid / Issued Capital	3.500.000.000	
2)	Total Legal Reserves (in accordance with statutory records)	2.289.385.928	
If there is information about privilege in dividend distribution in accordance with the AoA			
	DISTRIBUTION OF THE PROFIT FOR THE PERIOD	Acc. to CMB	Acc. to Statutory Records (SR)
3)	Profit for the Year	1.261.281.492,81	1.562.571.500,22
4)	Tax Expenses (-)	398.430.350,60	257.159.773,68
5)	Net Profit for the Period (=) (3-4)	907.445.184,51	1.305.411.726,54
6)	Prior Years' Losses (-)	-	-
7)	General Legal Reserves (-) ((55R-65R)*0,05)	-	-
8)	NET DISTRIBUTABLE PROFIT (-) (5-6-7)	907.445.184,51	1.305.411.726,54
9)	Donations made during the year (+)	21.821.934,41	
10)	Net distributable profit including donations that is the base of calculation of first legal reserves (8+9)	929.267.118,92	
11)	First Dividend - Cash - Share - Total	((1 or 10) *the rate determined by the Company) 185.853.423,78	
12)	Dividend paid to preference shares	(Amount of the dividend for privileged shareholders in accordance with the articles of Association)	
13)	Dividend paid to - the Board Member - Employees - person other than shareholders		
14)	Dividend paid to redeemed share owners		
15)	Second Dividend	655.005.834,86	
16)	General Legal Reserves ((11+12+13+14+15+20)-(H4*0,05))/10	66.585.925,86	
17)	Status Reserves	-	
18)	Special Reserves	-	
19)	EXTRA ORDINARY RESERVES 5- (6+7+11+12+13+14+15+16+17+18)	-	397.966.542,03
20)	Other Distributable Sources	-	-

DIVIDEND PAYOUT RATIO INFORMATION				
DIVIDEND PER SHARE				
	GROUP	TOTAL DIVIDEND AMOUNT (TL)	DIVIDEND TO BE DISTRIBUTED FOR EACH SHARE TRADED WITH A NOMINAL VALUE OF TL 1	
			AMOUNT (TL)	PERCENTAGE (%)
GROSS	A	462,472,592.26	0.240246	24.02
	B	252,257,777.60	0.240246	24.02
	C	0	0	0
	D	126,128,888.80	0.240246	24.02
	<b>TOTAL</b>	<b>840,859,258.65</b>	<b>0.240246</b>	<b>24.02</b>
NET	A*	462,472,592.26	0.240246	24.02
	B**	214,419,110.96	0.204209	20.42
	C***	0	0	0
	D****	107,209,555.48	0.204209	20.42
	<b>TOTAL</b>	<b>784,101,258.69</b>	<b>0.204209</b>	<b>20.42</b>
DIVIDEND DISTRIBUTED TO SHAREHOLDERS (TL)	THE RATIO OF DIVIDEND DISTRIBUTED TO SHAREHOLDERS TO NET DISTRIBUTABLE INCOME INCLUDING DONATIONS			
840,859,258.65	93%			

\*Group A shares of our Company are owned by Oger Telecom. As Oger Telecom is a fully responsible corporation, there will be no withholding tax in the dividend payment.

\*\* Group B shares of our Company are owned by the Turkish Treasury and are subject to withholding tax.

\*\*\* There is 1 Group C share, which is owned by the Turkish Treasury and does not have the right to get dividend payment according to our Articles of Association.

\*\*\*\* As the 15% of the total capital are traded in the Borsa Istanbul, our Company is not able to identify shareholders as "limited responsible, fully responsible, real person or legal person". Gross and net dividend calculation for this group is made on the assumption that all of the Group D shares are subject to withholding tax.

## **APPENDIX/2 REMUNERATION POLICY FOR THE MEMBERS OF BOARD OF DIRECTORS AND EXECUTIVES**

This remuneration policy document (“Remuneration Policy”) defines the remuneration system and procedure applicable to the Board Members and Senior Managers of Türk Telekomünikasyon A.Ş. (the “Company”) under the Capital Markets Board (“CMB”) regulations.

### **1. Chairman and Members of the Board of Directors**

A fixed salary is determined in every ordinary general assembly meeting in order to be applied to each Board Member. In any case, the salaries of the independent board members shall be determined at a level which will not adversely affect the independent exercise of their decision making. Stock options or payment plans based on the performance of the Company shall not be used while determining the salaries of the independent board members.

The Board Members are paid according to pro rata principle, by taking into consideration their term of duty, starting from their appointment and ending on their resignation dates. The expenditures assumed by the Board Members while performing their duties for the Company (transportation, communication, accommodation, insurance costs etc.) may be compensated by the Company.

In the event that a Board Member also acts as a Senior Manager at the management of the Company pursuant to CMB regulations, this Board Member may also be paid Salary and Premium determined under the terms of article two of this Remuneration Policy, along with the Salary mentioned in article one.

### **2. Senior Managers**

The remuneration of the Senior Managers is variable and is composed of two components; fixed and performance based remuneration.

**a. Fixed Salary:** The fixed salaries of the Senior Managers are determined in accordance with the international standards and legal obligations, in line with the remuneration principles accepted by the Company pursuant to the remuneration policies applied both in domestic and international markets; and, in any case, by taking into consideration the macro economic data in the market, the size of the Company, long term targets of the Company and the position / qualifications of the Senior Managers. The salary is paid during the term of the employment contract. Provided that there is no change in the market condition, the fixed salaries of the Senior Managers are revised in accordance with the pre-determined principles, once per year, by also taking into account the above-mentioned criteria applied while determining the salaries. The information regarding the market and/or sector conditions is determined by collecting such information through generally accepted consulting firms as well as by using the information provided from other sources and by considering the accomplishment degree of the objectives and the future of the Company.

**b. Premium:** The premiums of the Senior Managers are decided jointly by the Company CEO and the Group CEO according to Company Performance and the Individual Performances and paid after informing the Executive Committee.

Company Performance is determined by evaluating, at the end of the relevant period, the operational and financial targets (revenue and cost targets, efficiency targets, synergy, investment, number of subscribers, etc.) determined by the Company at the beginning of each year. While determining the targets of the Company, the principles of sustainability and improvement of the targets are essentially considered.

Individual Performance is determined by measuring of the individual targets of each Senior Manager related with their responsibilities, together with the Company targets at the end of each period. While measuring the individual performance, in parallel to the Company performance, the principle of being measurable, logical and achievable is considered.

**c. Side Benefits:** In accordance with the pre-approved principles and procedures being applied in the Company, certain side benefits in health insurance, communication, transportation or similar areas may be provided as additional benefits to the Senior Managers, in general and/or conditional on qualifications, position, etc.

### **3. Notification to the General Assembly**

The total of the amounts paid in each year to the Senior Managers and Board Members in accordance with the above-mentioned principles shall be notified to and/or submitted for the approval of the Shareholders in the next ordinary General Assembly Meeting in accordance with the applicable legislation.

### **4. Entry in Force and Implementation**

This Remuneration Policy shall enter into force upon the approval of the Board of Directors and be submitted to the Shareholders for information in the next the General Assembly Meeting under a separate agenda item.

The Remuneration Committee to be established under the Board of Directors in accordance with the SMB legislation and relevant regulations and/or the Corporate Governance Committee which will carry out the duties and responsibilities of the Remuneration Committee as per the CMB regulations shall be responsible for the implementation of this Remuneration Policy. During the period until the establishment of a Remuneration Committee and/or Corporate Governance Committee under the Board of Directors, the Board of Directors shall be responsible for the implementation of this Remuneration Policy.